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**EX PARTE OR LATE FILED**

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March 30, 2000

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FEDERAL COMMUNICATIONS COMMISSION

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Re: EX PARTE -- CC Docket No. 00-4: Application of SBC Communications Inc.  
Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide  
InterLATA Services in Texas

Dear Ms. Salas:

In meetings over the course of the last month with Commissioners' legal advisors, MCI WorldCom addressed the most significant defects in Southwestern Bell's ("SWBT's") operations support systems ("OSS"). We explained how these problems preclude a UNE-Platform ("UNE-P") offering with commercial volumes of orders. In recent weeks, SWBT has attempted in various ex parte filings to minimize the impact of its OSS problems relating to UNE-P. We responded to many points in our letter of March 17, focusing on the practical business issues that are critical to the viability of MCI WorldCom's upcoming launch of residential service in Texas.

This letter responds to the March 24, 2000 ex parte letters from SWBT concerning reject rates, flow through, and the three-service-order process. See two letters dated March 24, 2000 from Austin C. Schlick, Kellogg, Huber, Hansen, Todd & Evans, PLLC, to Magalie Roman Salas, Secretary, FCC. Nothing in SWBT's letters undercuts MCI WorldCom's earlier analysis of SWBT's OSS problems relating to UNE-P.

First, SWBT cites its own unaudited, post-application performance data from January and February 2000 to suggest that one CLEC was supposedly capable of achieving "low" reject rates using EDI. Even if this data were deemed reliable, it hardly supports SWBT's argument. SWBT's own data show that in January 2000 more than 20% of this "model" CLEC's orders were rejected, and that in the past four months the average reject rate for this CLEC was more than 19%. In the same four-month period, SWBT rejected an average of 26% of all CLECs' EDI orders. That the reject rate for one month for one CLEC was "only" 13.5% hardly demonstrates that rejects are not a problem given SWBT's consistently high reject rates.

The high reject rates are expected, of course, because of SWBT's requirement that UNE-P migrations include addresses, its failure to parse CSRs for CLECs, and its address mismatches in its internal databases. Indeed, because of these problems, SWBT's graph comparing reject rates in Texas to those in New York is misleading. In the New York 271 Order (¶ 167), the

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Commission found that rejects in New York could reasonably be attributed to CLECs for failing to integrate pre-order and order functions. But CLECs in Texas do not have this option because SWBT, unlike Bell Atlantic, does not provide parsed CSRs.

SWBT also fails to acknowledge that the reject problem is not simply the high number of rejects, but also that it manually processes far too many rejects and processes those rejects too slowly. SWBT has missed the performance standards for these rejects by a wide margin for each of the past six months.

Second, in response to complaints about its three-order process and its failure to associate the orders in all cases, SWBT boasts that its unaudited, post-application data show that “only” 0.8% of orders lost dial tone in January. Even if this data were reliable – and there is no reason to believe that it is given that it was not audited and that SWBT regularly is forced to “reconcile” mistakes in its reports – it hardly indicates that SWBT’s performance is adequate. SWBT is currently hand-holding its low volume of orders to minimize disassociation and loss of dial tone, and is only “investigating” a longer term solution. There is no reason to conclude that SWBT could hand-hold UNE-P orders when thousands are placed every day from a range of CLECs.

Moreover, SWBT’s data show that even at relatively low order volumes, 92 customers attempting to switch to CLECs in January lost dial tone. With that amount of lost dial tone, CLECs would quickly gain a reputation as incompetent through no fault of their own. Despite placing far more orders in New York than SWBT handles today in Texas, MCI WorldCom has not experienced lost dial tone on its UNE-P conversions in New York. From any reasonable perspective, the rate of lost dial tone SWBT touts based on low order volumes and hand-holding of those orders is unacceptably high. Finally, SWBT fails to note that loss of dial tone will not even be reflected in trouble tickets if the customer loses dial tone with a “D” order but then has its other service orders processed before a trouble ticket has been submitted.

Third, SWBT claims that its flow through rate is better than Bell Atlantic’s. As MCI WorldCom previously explained, SWBT’s data do not include orders that drop out after SORD, which appear to be a high percentage of orders that fall out to manual processes. Moreover, SWBT’s data are not to be trusted. In addition to the reasons explained in MCI WorldCom’s March 17 letter, it is important to note that numerous instances of orders falling out to manual that Bell Atlantic never reported were uncovered only after a careful audit by KPMG. No similar audit has been conducted of SWBT’s self-reported data. Moreover, it is noteworthy that the Commission found that prior to Bell Atlantic’s section 271 application in New York, volumes of orders had been increasing and Bell Atlantic had purportedly shown that its processes were scalable. There is no comparable evidence in Texas given the glaring flaws in the limited “scalability” projections presented by SWBT in Texas (which are discussed in MCI WorldCom’s Comments).

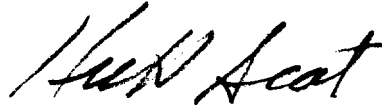
In short, nothing in SWBT’s many ex parte filings undermines the conclusion that SWBT is inhibiting the prospects for competition using UNE-P by requiring addresses on every order, failing to provide parsed CSRs, failing to coordinate its three service orders, manually handling

too many types of orders and rejects, and providing delayed responses on rejects. These and other problems are described fully in MCI WorldCom's Comments in this matter.

\* \* \* \* \*

In accordance with section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, an original and one copy of this letter are being filed with your office.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith L. Seat". The signature is fluid and cursive, with the first name "Keith" and last name "Seat" clearly distinguishable.

Keith L. Seat

cc: Kathryn Brown, Dorothy Attwood, Jordan Goldstein, Helgi Walker, Kyle Dixon, Sarah Whitesell, Larry Strickling, Robert Atkinson, Michelle Carey, Jake Jennings, Margaret Egler, Audrey Wright, William Dever